

India committed to privatisation, bank reforms; repositioning economy amid global challenges: FM Sitharaman

India is the fastest growing economy despite global headwinds, and it is aiming to drive global growth as well, Finance Minister Nirmala Sitharaman said today.



After the pandemic, India is repositioning its economy amid new global challenges

India is the fastest growing economy despite global headwinds, and it is aiming to drive global growth as well, Finance Minister Nirmala Sitharaman said today. Sitharaman emphasised that after the pandemic, India is repositioning its economy amid new global challenges and that the government is focused on bringing economic stability amid the new world order. According to Sitharaman, the reset of the Indian economy aims at promoting technology driven industries. "India will have to reset a lot of things to become a developed nation by 2047, and the biggest tools will be digitisation, education & infrastructure," she said in her address at an event today.

Privatisation of PSU companies, reforms in banking sector: Govt committed, says FM

The government is committed to its intent to privatise PSU enterprises and push banking sector reforms, said Sitharaman. "The initial public offering of Life Insurance Corporation of India has shown that the government is committed to the process of disinvestment. The government will go ahead with the banking sector reforms as well," she added. Note that the central government had proposed privatisation of two PSU banks along with one general insurance company in the 2021-22 Budget. It also unveiled a public sector enterprise policy aimed at reducing the presence of government in running businesses.

India's economic recovery firm

The world faces lots of new challenges even as it recovers from the pandemic, said Sitharaman, adding that the Indian government is focused on dealing with these challenges with apt governance. The government is working on a path to boost economic growth over the next 25 years, along with the central bank. India's economic recovery is firm and on a good foundation, Sitharaman said. She highlighted that banks are now able to get resources, fund development from the market due to their improving financial health.

FM in her address touched upon several other issues ranging from governance, taxation, bond inclusion in global index, among others. The government is working to provide tax stability to businesses, and remove anomalies of retrospective taxation. Speaking on India's bond inclusion in the global index, the minister said several things have changed since the pandemic, however, she expects a logical conclusion to this issue sooner.

India to become a developed nation in next 25 years

Laying out the government's plan for India's growth over the next 25 years, FM said that by the time India celebrates the first centenary of independence, the government will have to reset lots of things so that India becomes a developed nation by then.